

ADOPTIONS SECTION

BANKING

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF BANKING

Notice of Readoption

Check Cashing

Readoption: N.J.A.C. 3:24

Authority: N.J.S.A. 17:1-8, 17:1-15.e, and 17:15A-52.

Authorized By: Richard J. Badolato, Commissioner, Department of Banking and Insurance.

Effective Date: July 17, 2017.

New Expiration Date: July 17, 2024.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 3:24 were scheduled to expire on October 7, 2017. The rules implement the Check Cashers Regulatory Act of 1993, N.J.S.A. 17:15A-30 et seq. (Act), regarding the licensing and regulation of check cashers.

N.J.A.C. 3:24-1 provides definitions of key terms and prescribes requirements for applications and licensing fees for check cashers.

N.J.A.C. 3:24-2 requires an applicant for a check cashing license to furnish proof of net worth and liquid assets as required by N.J.S.A. 17:15A-37 in the form of an unqualified audited financial statement and in the event the licensee utilizes the services of an accountant who does not maintain a New Jersey office, to make their accountant's records of the licensee's operations available for inspection in New Jersey.

N.J.A.C. 3:24-3 requires the applicant to demonstrate compliance with applicable State, county, and municipal laws and ordinances.

N.J.A.C. 3:24-4 sets limits on the fees that a licensee may charge for cashing a check, and prescribes the location and content of signs that a licensee must post at every location where checks are cashed.

N.J.A.C. 3:24-5 regulates licensees' conduct of business, including check cashing procedures, recordkeeping, cash reconciliation, deposits, and prohibitions on commingling funds or the records of the check cashing business with those of any other business that may, in accordance with N.J.S.A. 17:15A-47.e and f, be conducted on the same premises.

N.J.A.C. 3:24-6 sets forth requirements for annual reports to the Commissioner of Banking and Insurance (Commissioner) and provides authority for the Commissioner to require additional reports.

The Department of Banking and Insurance has reviewed these rules and has determined that the rules should be readopted without amendment. The rules are necessary, reasonable, and proper for the purpose for which they were originally promulgated. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c(1), these rules are readopted and shall continue in effect for a seven-year period.